THE HON'BLE Ms. JUSTICE G. ROHINI

WRIT PETITION NO.18573 OF 2006

Dated: 16th NOVEMBER, 2006.

Between :

G. Mallikharjuna, 14 years, being minor
Rep. by his brother and guardian
G. Subbanarasaiah .. Petitioner

And

The State Bank of India, rep. by its Assistant
General Manager, Cuddapah, Main Branch,
Cuddapah. .. Respondent

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WRIT PETITION NO.18573 OF 2006

ORDER :

The petitioner, being a minor, represented by his brother and guardian, filed this writ petition aggrieved by the action of the respondent Bank in not advancing a loan on the security of the Fixed Deposit Receipt dated 22-12-2000 standing in his name.

It is stated that the mother of the petitioner by name Rajeswarmma died on 25-11-1994 in an accident that took place in Kuwait. The petitioner, his elder brother by name Subbanarasaiah and their father Venkataiah being the legal representatives were paid a sum of Rs.13,69,910/- through the Indian Embassy by the Insurance Company. By that time both the petitioner and his elder brother were minors. Since the authorities raised an objection for disbursing the amount, the father of the petitioner along with his two minor sons filed W.P.No.14105 of 1996. The said writ petition was disposed of with a direction to the District Collector, Kadapa to pay the amount forthwith. In terms of the order of this Court, a sum of Rs.8,50,000/- was kept in Fixed Deposit in the respondent Bank in the names of the petitioner and his elder brother to be paid to them on attaining majority. The petitioner's elder brother attained majority in March, 2000 and in pursuance of the order in W.P.No.16555 of 2000, dated 22-11-2000 half of Rs.8,50,000/- in the Fixed Deposit together with accrued interest was paid to him. The half share of the petitioner herein together with interest accrued being Rs.6,96,078/- was again kept in

the Fixed Deposit since he is a minor. The maturity value of the said Fixed Deposit is Rs.18,69,014/- payable on 22-12-2010. Admittedly, the petitioner is still a minor being aged about 14 years. It is stated that he is studying 7th class in Z.P. High School and since their father died and there is no other income to meet the expenditure for his maintenance and studies he is totally depending on his elder brother.

In the circumstances, a request was made to the respondent Bank through the elder brother of the petitioner, who is his guardian, to grant a loan of Rs.1 lakh on the security of the fixed deposit amount standing in his name or to release a sum of Rs.25,000/- every year so as to enable the petitioner to maintain himself and pursue his studies. The said request was rejected by the respondent Bank by letter dated 10-8-2006 which is challenged in this writ petition.

I have heard the learned Counsel for both the parties.

The learned Counsel appearing for the respondent Bank, under instructions, stated that in view of the directions of this Court in W.P.No.16555 of 2000 to keep the share of the younger brother (petitioner herein) in deposit which can be paid after he attains the age of majority, the respondent Bank could not consider the request of the petitioner for sanctioning of the loan or for partial withdrawal of the deposit.

On a careful reading of the orders of this Court in the earlier writ petitions, it does not appear to me that this Court has imposed any such restriction with regard to the payment of the petitioner's share. Though the amount was directed to be kept in fixed deposit, the question whether the share of the petitioner can be released or not was neither considered nor decided by this Court in W.P.No.16555 of 2000. Hence, it is for the respondent Bank to take an appropriate decision in the light of the rules/guidelines, if any, governing the deposits in the name of the minors. Without exercising such discretion, the respondent Bank ought not to have rejected the request of the petitioner.

Accordingly, the Writ Petition is disposed of with a direction to the respondent Bank to reconsider the request of the petitioner as indicated above and pass appropriate orders afresh in accordance with law. No costs.

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G. ROHINI, J.

Dt. 16-11-2006

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